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12 **UNITED STATES DISTRICT COURT**  
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14 **DISTRICT OF NEVADA**

15 SECURITIES AND EXCHANGE COMMISSION,  
16 Plaintiff,  
17 v.  
18 MICHAEL V. SHUSTEK and VESTIN  
MORTGAGE LLC,  
19 Defendants.  
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Case No.: 2:21-cv-01416-JCM-BNW

**FINAL JUDGMENT AS TO  
DEFENDANT MICHAEL V. SHUSTEK**

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24 The Securities and Exchange Commission having filed a Complaint and Defendant Michael  
25 V. Shustek ("Defendant") having entered a general appearance; consented to the Court's jurisdiction  
26 over Defendant and the subject matter of this action; consented to entry of this Final Judgment  
27 without admitting or denying the allegations of the Complaint (except as to jurisdiction and except as  
28

1 otherwise provided herein in paragraph VII); waived findings of fact and conclusions of law; and  
2 waived any right to appeal from this Final Judgment:

3 I.

4 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant is permanently  
5 restrained and enjoined from violating Sections 17(a)(2) and (3) of the Securities Act of 1933 (the  
6 “Securities Act”) [15 U.S.C. §§ 77q(a)(2) and (3)] in the offer or sale of any security by the use of  
7 any means or instruments of transportation or communication in interstate commerce or by use of the  
8 mails, directly or indirectly:

9 (a) to obtain money or property by means of any untrue statement of a material fact or any  
10 omission of a material fact necessary in order to make the statements made, in light of the  
11 circumstances under which they were made, not misleading; or

12 (b) to engage in any transaction, practice, or course of business which operates or  
13 would operate as a fraud or deceit upon the purchaser.

14 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in Federal  
15 Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive  
16 actual notice of this Final Judgment by personal service or otherwise: (a) Defendant’s officers,  
17 agents, servants, employees, and attorneys; and (b) other persons in active concert or participation  
18 with Defendant or with anyone described in (a).

19 II.

20 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is  
21 permanently restrained and enjoined from violating Section 206(2) of the Investment Advisers Act of  
22 1940 (the “Advisers Act”) [15 U.S.C. § 80b-6(2)] by the use of the mails or any means or  
23 instrumentality of interstate commerce, directly or indirectly, to engage in any transaction, practice,  
24 or course of business which operates as a fraud or deceit upon any client or prospective client.

25 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in Federal  
26 Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive  
27 actual notice of this Final Judgment by personal service or otherwise: (a) Defendant’s officers,  
28 agents, servants, employees, and attorneys; and (b) other persons in active concert or participation

1 with Defendant or with anyone described in (a).

2 III.

3 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that pursuant to Section  
4 21(d)(5) of the Securities Exchange Act of 1934 (the “Exchange Act”) [15 U.S.C. § 78u(d)(5)],  
5 Section 20(b) of the Securities Act [15 U.S.C. § 77t(b)], and Section 209(d) of the Advisers Act [15  
6 U.S.C. § 80b-9(d)], Defendant is prohibited, for five years following the date of entry of this  
7 Judgment, from directly or indirectly, including but not limited to, through any entity owned or  
8 controlled by Defendant, participating in the issuance, purchase, offer, or sale of any security,  
9 provided, however, that such injunction shall not prevent Defendant from purchasing or selling  
10 securities for his own personal account.

11 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in Federal  
12 Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive  
13 actual notice of this Final Judgment by personal service or otherwise: (a) Defendant’s officers,  
14 agents, servants, employees, and attorneys; and (b) other persons in active concert or participation  
15 with Defendant or with anyone described in (a).

16 IV.

17 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, pursuant to Section  
18 21(d)(5) of the Exchange Act [15 U.S.C. § 78u(d)(5)], Section 20(b) of the Securities Act [15 U.S.C.  
19 § 77t(b)], and Section 209(d) of the Advisers Act [15 U.S.C. § 80b-9(d)], Defendant is prohibited, for  
20 five years following the date of entry of this Final Judgment, from acting as an officer or director of  
21 any issuer that has a class of securities registered pursuant to Section 12 of the Exchange Act [15  
22 U.S.C. § 78l] or that is required to file reports pursuant to Section 15(d) of the Exchange Act [15  
23 U.S.C. § 78o(d)].

V.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant shall pay a civil penalty in the amount of \$300,000 to the Securities and Exchange Commission pursuant to Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)] and Section 209(e) of the Advisers Act [15 U.S.C. § 80b-9(e)]. Defendant shall make this payment within 30 days after entry of this Final Judgment.

Defendant may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request. Payment may also be made directly from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>. Defendant may also pay by certified check, bank cashier's check, or United States postal money order payable to the Securities and Exchange Commission, which shall be delivered or mailed to:

Enterprise Services Center  
Accounts Receivable Branch  
6500 South MacArthur Boulevard  
Oklahoma City, OK 73169

and shall be accompanied by a letter identifying the case title, civil action number, and name of this Court; "Michael V. Shustek" as a defendant in this action; and specifying that payment is made pursuant to this Final Judgment.

Defendant shall simultaneously transmit photocopies of evidence of payment and case identifying information to the Commission's counsel in this action. By making this payment, Defendant relinquishes all legal and equitable right, title, and interest in such funds and no part of the funds shall be returned to Defendant. The Commission shall send the funds paid pursuant to this Final Judgment to the United States Treasury.

The Commission may enforce the Court's judgment for penalties by the use of all collection procedures authorized by law, including the Federal Debt Collection Procedures Act, 28 U.S.C. § 3001 *et seq.*, and moving for civil contempt for the violation of any Court orders issued in this action. Defendant shall pay post-judgment interest on any amounts due after 30 days of the entry of this Final Judgment pursuant to 28 U.S.C. § 1961.

VI.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the Consent is incorporated herein with the same force and effect as if fully set forth herein, and that Defendant shall comply with all of the undertakings and agreements set forth therein.

VII.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, solely for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S.C. § 523, the allegations in the complaint are true and admitted by Defendant, and further, any debt for disgorgement, prejudgment interest, civil penalty or other amounts due by Defendant under this Final Judgment or any other judgment, order, consent order, decree or settlement agreement entered in connection with this proceeding, is a debt for the violation by Defendant of the federal securities laws or any regulation or order issued under such laws, as set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C. § 523(a)(19).

VIII.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall retain jurisdiction of this matter for the purposes of enforcing the terms of this Final Judgment.

IX.

There being no just reason for delay, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure, the Clerk is ordered to enter this Final Judgment forthwith and without further notice.

IT IS SO ORDERED.

Dated: November 15, 2023.

  
James C. Mahan  
UNITED STATES DISTRICT JUDGE